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FYI

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ENDANGERED SPECIES:

Controversial Ariz. mine delayed but not halted, owner says

Dylan Brown, E&E reporter

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A Canadian mining firm isn't abandoning controversial plans for an Arizona copper mine despite hard times for commodity markets and fierce opposition from environmentalists worried about the nation's last wild jaguar.

Hudbay Minerals Inc.'s <u>2015 year-end</u> <u>financial report</u> acknowledged "an expected delay" in construction of the Rosemont Mine as global copper prices hit historic lows. The proposed open-pit site southeast of Tucson contributed heavily to Hudbay's \$255 million

fourth-quarter loss.

The Toronto-based company said it will now spread Rosemont funding out over all of 2016 instead of just the first six months, but \$30 million is still enough for a definitive feasibility study, permitting and a mine operation plan. Hudbay reported that permitting, the subject of a yearslong fight with environmentalists, is "progressing in accordance with expectations."

"Hudbay remains committed to advancing Rosemont, which is expected to be one of the first new copper projects to be built once copper prices and capital market conditions improve," the company wrote.

The U.S. Forest Service is still working on a final record of decision, and the Army Corps of Engineers has yet to issue a Clean Water Act Section 404 dredge-and-fill permit, required for any mining impact to waterways.

Saving El Jefe

Hudbay took over the Pima County site in 2014, replacing former owner Augusta Resource Corp. with HudBay Arizona Corp., a wholly owned subsidiary. Rosemont could become one of the nation's largest copper mines, producing roughly 10 percent of all American copper in addition to some silver and molybdenum, according to Hudbay.

U.S. EPA, however, has raised strong concerns about the mine. EPA could invoke its Section 404 veto authority, a highly controversial power, but for now it requested that the Army Corps look closely at water quality risks not fully assessed in state permitting (*Greenwire*, May 6, 2015).

With the proposed pit just miles from its home base in Tucson, the Center for Biological Diversity contends the global copper crash is further proof that "there's no justification for this incredibly destructive mine."

"After years of misleading its investors with rosy projections for this project, the company has finally admitted the mine won't be built anytime soon," center advocate Randy

Serraglio said. "But the truth is that this project should never be built."

Serraglio said federal agencies already have the legal and scientific basis they need to keep the mine's footprint -- including more than 3,600 acres of the Coronado National Forest -- from "blighting" public lands home to El Jefe, the only known jaguar roaming the United States.

"We already have copper mines all over Arizona, and we've got the polluted air, contaminated water and ghost towns to prove it." Serraglio said. "But we only have one jaguar. His home should be protected." Want to read more stories like this? Click here to start a free trial to E&E -- the best way to track policy and markets. ABOUT GREENWIRE - The leader in energy & environmental policy news Greenwire is written and produced by the staff of E&E Publishing, LLC. The one-stop source for those who need to stay on top of all of today's major energy and environmental action with an average of more than 20 stories a day, Greenwire covers the complete spectrum, from electricity industry restructuring to Clean Air Act litigation to public lands management. Greenwire publishes daily at 1 p.m.

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